BEFORE

THE PUBLIC SERVICE COMMISSION

OF

SOUTH CAROLINA

Docket No. 2005-67-C

TESTIMONY OF VALERIE WIMER

Q. Please state your name, occupation, and place of business.

A. My name is Valerie Wimer. I have been employed by John Staurulakis, Inc. (JSI) since 1997. JSI is a telecommunications consulting firm headquartered in Seabrook, Maryland. At JSI, I am the Director of New Business Development. I am responsible for helping rural companies offer new products, implement new technologies and prepare for competition. In this position, I have been involved in many interconnection agreements between CLECs and ILECs and the implementation of LNP, DSL, and Fiber to the Home.

Prior to my employment at JSI, I worked for Southern New England Telephone (SNET) for eighteen years. I started my career in outside plant engineering where I was responsible for the planning of the economic placement of facilities to meet customer growth. I held several management positions in switching operations, procurement, and network planning prior to being promoted to Director of Transmission Engineering. In that position, I was responsible for transmission

performance, equipment testing, and microwave engineering. I moved to the Marketing and Product Management Department to plan and implement emerging technology based products including ISDN, SS7, and small business centrex products. I was responsible for quantifying customer demand, translating that information into a product definition, identifying the cost and price of the service, and implementing the service across all the operations departments. I moved to Director of Network Architecture where I was responsible for the evolution of switching, signaling, trunking, and outside plant network technologies in Connecticut. This included evaluating the addition or elimination of tandem switches and the migration to host/remote switch architecture. I also was Director of Network Services where I was responsible for the development and implementation of SNET's corporate policies governing local competition in Connecticut. I supervised the marketing and technical development of interconnection agreements, resale service, and unbundled elements. I was the SNET technical and marketing witness for several dockets relating to the development of competition in Connecticut. I also managed a CLEC users group for SNET, which educated CLECs on the requirements of local service and solicited input from the CLEC industry regarding operational requirements.

I graduated with honors from Cornell University with a BS in engineering. I completed Executive Engineering Education at Stanford University, Continuing Engineering Courses at George Washington University, and SNET's Advanced Management Development Program.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of Farmers Telephone Cooperative, Hargray Telephone, Home Telephone Company, and PBT Telecom. Collectively, I refer to them in my testimony as the Rural Local Exchange Companies or RLECs.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to address Issues #3, #14, and #16 which all relate to the inclusion of signaling parameters in the signaling system 7 (SS7) stream. I will also address Issue #20 which relates to the service order charges proposed by the RLECs.

The parties have also continued to negotiate on several of the operational issues and have reached agreement on Issue #2 concerning the number of days notice that must be provided before the agreement is canceled and Issue #18 concerning the number of customer service requests that can be handled. In addition, the parties finalized open language in Sections 9.1 and 9.3 concerning billing disputes that was not listed as an arbitration issue but was previously unresolved.

The RLECs propose that both parties include all the signaling parameters including Calling Party Number (CPN) and Jurisdictional Indicator Parameter (JIP). This request is consistent with the industry standards. These parameters should be included on all calls to insure that the network operates properly and intercarrier billing is accurate. It is further proposed that the parties will pay

access charges on traffic that does not include CPN and JIP if these parameters are missing from more than 10% of the calls. The RLECs also propose that both parties be responsible for the inclusion and the accuracy of the signaling parameters sent to the other party.

The RLECs have also proposed service order rates that are just and reasonable.

ISSUE #3: Should companies be required to provide JIP information?

Q. What is the dispute with respect to Issue #3?

A. The JIP is a new standard to help better identify the physical location of the end user. The RLECs are compliant with the JIP standard and want MCImetro Transmission Services, LLC's (MCI's) commitment that they will also comply.

Q. Why is the correct identification of the jurisdiction of a call important to the RLECs?

A. The jurisdiction of the call is important because the intercarrier compensation rules for local traffic and toll traffic are very different. Local traffic is subject to reciprocal compensation where the originating carrier pays the terminating carrier. Toll traffic intercarrier compensation is subject to access charges, and both the originating and terminating carriers receive payment. The rates for access and reciprocal compensation are also very different. For the purpose of this

agreement, the RLECs are recommending compensation for the exchange of IntraLATA Traffic to be in the form of reciprocal termination service provided by each party without a per minute of use charge.

Access charges, on the other hand, are approximately $0.01 per MOU in South Carolina and range from $0.015 to $0.025 per MOU in the interstate jurisdiction. The large disparity in the rates for access and reciprocal compensation has provided an incentive for some carriers to play regulatory arbitrage by disguising their toll traffic as local or IntraLATA traffic for the purpose of compensation under the agreement to avoid paying access charges. The RLECs must be able to identify the jurisdiction of the call in order to avoid this problem.

Q. How have carriers traditionally determined the jurisdiction of the call?

A. The jurisdiction of the call is based on the locations of the originating end user and the terminating end user. Since the network is not set up to identify the actual location of the end user in real time, the originating and terminating telephone numbers have been used as a proxy for the physical location of the end users involved. The originating telephone number is the Calling Party Number (CPN) while the terminating telephone number is the Called Party Number (CdPN). The NPA-NXX of both the CPN and CdPN are compared to determine the jurisdiction of the call: Local, IntraLATA, InterLATA Intrastate, or Interstate.

Q. Is CPN still a good proxy for the location of the end user?

A. CPN is becoming a less and less accurate proxy for the location of the end user. Cellular service allows end users to roam the country using a single telephone number. Some wireline carriers are assigning telephone numbers outside the rate center associated with the NPA-NXX (Virtual NXX or VNXX). Some VoIP providers advertise the ability for end users to choose a number in any major city. In all of these examples the CPN would not accurately represent the location of the end user.

CPN traditionally was used to identify the carrier who served the end user. Each LEC was a code holder of NPA-NXXs which were listed in the Local Exchange Routing Guide (LERG). The NPA-NXX of the CPN could uniquely identify the originating carrier because only one LEC was serving end users with numbers from that NPA-NXX. Today with Local Number Portability (LNP), a particular number could be assigned to a customer of any telecommunications carrier in the area. The Local Routing Number (LRN) which is returned with the LNP query will identify the terminating carrier. The originating carrier is not identified because the code holder of the NPA-NXX listed in the LERG is no longer the ported end user's LEC.

Q. Has the use of CPN and CdPN alone created problems in determining the proper jurisdiction?

A. Yes. The RLECs have discovered that for some calls CPN has been substituted with another number to make the call appear to be local. Several industry groups have been investigating "Phantom Traffic" which is traffic where the originating carrier is not identified or the jurisdiction is unknown. There was a conference in April 2004 sponsored by the National Exchange Carriers Association (NECA) to address Phantom Traffic. Two major methods of misrepresenting calls discussed at the conference were the substitution of CPN with a local number and the use of VNXX to either originate or terminate a call.

Q. Please give an example where the CPN and CdPN do not accurately reflect the jurisdiction of the call.

A. The CPN and CdPN will not show the proper jurisdiction in the case of a Virtual NXX. The telephone numbers are obtained in one rate center and assigned to customers in another rate center or even another state. When a South Carolina VNXX telephone 803-666-2222 number is assigned to a customer physically located in San Francisco and the customer calls a customer actually located in South Carolina with an 803-666-1111 telephone number, the CPN will accurately show 803-666-2222 and the CdPN will show 803-666-1111. The call will look like a local call based on the comparison of the CPN and CdPN but the call is in fact an interstate call. Additional information is required to determine if that call is local or toll.

Q. How does JIP help determine the proper jurisdiction of the call?

A. JIP was developed to more accurately represent the physical location of the customer by identifying network equipment close to the end user's location and to uniquely identify the carrier originating the call. The JIP is a six digit code that is unique to the particular location and to the particular carrier at that location.

The original proposal for wireless carriers was to have a JIP for every cell site. There were technical difficulties in implementing that proposal and a compromise of a JIP for every switch per LATA and per state was ultimately agreed upon. As work on JIP continues and equipment evolves, a JIP closer to the end user may become practical.

The JIP and the CPN provide two points that can represent the location of the end user. If those two points match, there is a high probability that the end user is actually located in that geographic area. If the two points do not match, then further analysis may be required. Several scenarios have to be investigated. If the customer is physically located at the rate center associated with the CPN but the call enters the Public Switched Telephone Network (PSTN) at the JIP location, as may happen on a VoIP call, then the CPN and not the JIP accurately represents the customer's physical location. If the customer has a VNXX, then the JIP and not the CPN accurately reflects the physical location of the customer. A difference between the CPN and JIP may also indicate that one or both of these parameters has been altered. A carrier can analyze the various combinations,

amount of traffic, and traffic trends to determine the actual nature of the traffic. JIP is not a magic bullet, but it is another tool to identify traffic jurisdiction.

Q. Is JIP used in rating end user calls?

A. No. The JIP is used to determine which type of intercarrier compensation is due, not to rate end user calls. The Alliance of Telecommunications Industry Solutions (ATIS) press release on the final JIP rules dated December 15, 2004 makes this clear:

> By populating the JIP, calls can be routed more precisely and ***inter-carrier billing*** can be determined more precisely.

MCI has blurred this distinction in Mr. Darnell's testimony on p. 48 line 22. The inclusion of JIP will in no way impact rates charged to end users.

Q. Does JIP help in audits?

A. Yes. The more information available in a call record, the more difficult it is for a carrier to misrepresent traffic. Today a carrier may substitute a CPN to make toll traffic look local. If that traffic also had a JIP associated with it, the job of deception becomes more difficult. An audit can validate CPN, JIP and CdPN information along with originating point codes and other SS7 parameters. If all the fields match there need not be an investigation. If the fields do not match, further investigation is required. MCI states three times in Mr. Darnell's testimony (p. 50 line 13, p. 52 line 9, and p. 53 line 12) that the RLECs do not need JIP because they have the right to audit the call records. The call records

with only CPN do not provide all the information needed to reach an accurate conclusion. By arguing against the use of JIP, MCI is effectively denying the RLECs the ability to conduct accurate audits.

Q. What factors let to the creation of JIP?

A. The ATIS press release states, "The evolution of number portability and roaming have resulted in the calling directory number no longer being an accurate reflection of the geographic location of the originating party." As the amount of traffic associated with a misrepresentative CPN became larger, the industry became more concerned with the proper identification of the traffic. The industry opened three issues related to this problem in the Network Interconnection Interoperability Forum (NIIF), as follows:

> Issue 2308 - Need for Accurate Jurisdictional Information for Accurate Billing
>
> Issue 2349 - Impact of Wireless Number Portability on Wireline Service Providers
>
> Issue 2786 - Jurisdictions determination for Calls Originating or Terminating on an IP Network.

The industry reached concensus on Issues 2308 and 2349 concerning wireline and wireless JIP and the Issues were closed on December 8, 2004. Issue 2786 which concerns VoIP traffic is still open.

Q. Is inclusion of the JIP in the signaling stream a standard?

A. Yes. The NIIF finalized Issues 2308 and 2349 and the rules have been published in NIIF Reference Document ATIS-0300011 "Part III, Installation and Maintenance Responsibilities for SS7 Links and Trunks." The ATIS press release describes the requirement: "The population of JIP data is recommended for all wireline calls and, where technically feasible, for calls originating from wireless devices."

Q. What is the standard that the NIIF developed?

A. The NIIF finalized seven rules for the implementation of JIP. While the NIIF declined to make the use of JIP mandatory, it strongly recommended that JIP be populated for both wireline and wireless carriers where technologically possible.

7 Rules for Populating JIP

1. JIP should be populated in the Initial Address Messages (IAMs) of all wireline and wireless originating calls where technically feasible.

2. JIP should be populated with an NPA-NXX that is assigned in the LERG to the originating switch or MSC.

3. The NIIF does not recommend proposing that the JIP parameter be mandatory since calls missing any mandatory parameter will be aborted. However the NIIF strongly recommends that the JIP be populated on all calls where technologically possible.

4. Where technically feasible if the originating switch or MSC serves multiple states/LATAs, then the switch should support multiple JIPs such that the JIP used for a given call can be populated with an NPA-NXX that is specific to both the switch as well as the state and LATA of the caller.

If the JIP cannot be populated at the state and LATA level, the JIP should be populated with an NPA-NXX specific to the originating switch or MSC where it is technically feasible.

5. Where the originating switch cannot signal JIP it is desirable that the subsequent switch in the call path populate the JIP using a data fill default associated with the incoming route. The value of the data fill item is an NPA-NXX associated with the originating switch or MSC and reflects its location.

6. When call forwarding occurs, the forwarded from DN (Directory Number) field will be populated, the JIP will be changed to a JIP associated with the forwarded from DN and the new called DN will be inserted in the IAM.

7. As per T1.TRQ2 [Industry standards document], the JIP should be reset when a new billable call leg is created.

To summarize, the standard recommends that wireline and wireless carriers implement JIP in their switches. One JIP per switch per LATA per state is recommended when technically feasible.

Q. Now that NIIF has recommended JIP, how does the industry implement the new rules?

A. A standard creates an industry guideline. The FCC mandates implementation of some industry guidelines, for example wireline-to-wireless LNP. However, most standards are implemented by industry practice. As carriers implement the standards in their own networks, they work with the interconnecting networks to implement the same standards either through agreements or by requiring a connecting carrier to comply with the standard as a condition of purchasing service.

Since JIP is a new standard, it is not yet included in many agreements. In fact, the standard was not finalized until December of 2004, so it would not be listed in

agreements signed prior to that date. The JIP requirement is included in a recent Wisconsin agreement between Charter Cable and Wood County Telephone. The RBOCs take much longer to incorporate new language into their agreements, so the lack of provisions for JIP in RBOC agreements is not an indication of the RBOCs' position on JIP.

Q. If JIP is not a mandatory field in the IAM, does that mean that JIP is not standard?

A. No. A mandatory field in the IAM means that a call cannot be completed without the information. For example, if the dialed number is not in the IAM, the switch would not be able to complete the call and the call would be blocked. JIP is used for determining the jurisdiction of a call. Although it is very important to properly bill a call, it is not required for actually routing and completing the call. The NIIF did not want calls to be blocked solely on the basis of missing billing information, so it did not make the JIP mandatory in the IAM, as stated in rule #3 above. However, the NIIF is strongly recommending that the JIP be included when technically feasible. JIP is a standard, but it is not a mandatory field for call completion.

Q. One of the criteria for implementing JIP is that it is technically feasible. Is it technically feasible for MCI to implement JIP?

A. Yes. In Mr. Darnell's testimony Page 47 line 7, he states that MCI can populate the JIP with the MCI switch JIP.

Q. Are there limits on the JIP implementation?

A. MCI lists a DMS 100 switch as its switch type in the LERG with South Carolina NPA-NXXs. The DMS translations rules do not list limitations on the number of JIPs that can be included in the translations. RLECs that have DMS switches have actually implemented multiple JIPs on their switches.

Q. How many JIPs do the RLECs expect from MCI?

A. The RLECs expect MCI to implement JIP according to the standard.

> Rule # 4. Where technically feasible if the originating switch or MSC serves multiple states/LATAs, then the switch should support multiple JIPs such that the JIP used for a given call can be populated with an NPA-NXX that is specific to both the switch as well as the state and LATA of the caller.
>
> If the JIP cannot be populated at the state and LATA level, the JIP should be populated with an NPA-NXX specific to the originating switch or MSC where it is technically feasible.

In the case of South Carolina where there are multiple LATAs, the RLECs would expect to see one JIP for each LATA per switch that is serving that LATA. The DMS 100 translations guide recommends that the JIP use the same NPA-NXX as the Location Routing Numbers (LRN) in the switch. There is also a requirement for a unique LRN to be assigned for each switch, for each LATA, and for each state served by the switch. The DMS is capable of supporting multiple LRNs and Multiple JIPs to meet these requirements.

The RLECs are not requesting MCI to create one JIP for every rate center served, as Mr. Darnell's testimony suggests (p. 50 line 18). However, the

RLECs do want MCI to comply with the standard of one JIP per switch per LATA per state.

Q. Is there a particular type of traffic that should contain JIP?

A. Yes. The RLECs are concerned about the traffic that is covered under this agreement, i.e., IntraLATA traffic that is exchanged directly between the end user customers of MCI and the connecting RLEC. No other type of traffic should be placed on the interconnection trunks described in this agreement. The agreement does not concern toll traffic from MCI Long Distance or any other carrier. For MCI's traffic to be included in this agreement, it would be originated on MCI's switch and directly terminated on the RLEC switch. Since MCI is not a tandem, there would be no other traffic from third parties. MCI has complete control over the calls originated on its switch and can make sure the calls comply with all the signaling standards, including JIP.

Q. How should the South Carolina Public Service Commission (Commission) rule on Issue #3?

A. The Commission should rule that MCI is required to include both JIP and CPN in the signaling information. JIP is an industry standard that is being implemented by wireline and wireless carriers. MCI has stated that it is capable of providing JIP. MCI's switch type is capable of complying with the standard of a unique JIP per switch per LATA per state. JIP is useful in determining the jurisdiction of the calls for purposes of determining the proper intercarrier compensation and for audits.

Issue #14: Should parties be required to pay access charges on unidentified traffic when more than 10% JIP and CPN are missing?

Q. What is the dispute with regards to Issue #14?

A. The RLECs want both parties to have an incentive to provide all the signaling information including both CPN and JIP on all calls. If more than 10% of the calls do not have JIP and CPN, then it is assumed the traffic is InterLATA traffic and access should be paid.

Q. Is it reasonable to include incentives in an interconnection agreement?

A. Yes. The terms and conditions of all agreements provide rules on how the parties will interact with each other and the consequences if the terms and conditions are not followed. For example, the parties have already agreed to late payment terms which charge a penalty of 1½% interest for payments that are past 30 days overdue. The interest payment creates an incentive for the parties to pay the bills on time. The RLECs are proposing a similar financial penalty for not providing the proper signaling information.

Q. Why should the parties be required to pay access rates on unidentified traffic when such traffic is more than 10% of the party's total originating traffic?

A. There are two types of intercarrier compensation: reciprocal compensation and access. Only reciprocal compensation traffic (and some minor amount of transit traffic on two of the RLECs' tandems) is included in this agreement. The rate

difference between reciprocal compensation and access provides an incentive to carriers to save money by representing access traffic as reciprocal compensation traffic. If the traffic is misrepresented, the penalty should be at least equal to the rate the carrier would have paid if the traffic were properly identified. There should be no benefit to MCI for misrepresenting traffic. In such a case, being required to pay access is not a penalty at all, but merely requires MCI to pay the correct intercarrier compensation on the call.

Q. Since MCI has complete control over the IntraLATA traffic delivered to the RLEC, is a 90% JIP and CPN factor reasonable?

A. Yes. All the traffic that is sent to the RLECs should be originated on MCI's switch, as discussed in Issue #3. That switch is capable of providing a JIP per LATA per state on all the calls originated on it. Therefore, JIP should be on 100% of the calls.

CPN is typically populated by the LEC with the line number on the customer line. In a situation with a PBX, the RLECs discuss the CPN that will be placed on the calls from the PBX with the customer at the time of installation. This is common practice in the industry. Although, there are several numbers a PBX customer may choose when they order their trunks, the carrier ultimately controls the CPN. The RLECs have control over the CPN provided for their PBX customers and provide CPN on 100% of the PBX calls. It would be hard to imagine that MCI's

network was less capable than the RLEC's network. CPN should also be readily available for 100% of customers directly served by MCI or the RLECs.

The 90% JIP and CPN factor is very reasonable because MCI is not dependent on any other carrier to comply with the signaling. The RLECs will include the JIP and CPN on 100% of the calls barring intermittent technical problems. If the RLECs, who have few technical resources, are able to perform to this level, there is no excuse for MCI with their vast technical resources not to also comply.

Q. Should the Commission require the parties to pay access charges on traffic that does not have a JIP associated with it in the event less than 90% of traffic has an associated JIP, as proposed in Issue #14?

A. Yes. These types of provisions are common in agreements and help ensure compliance with the terms and conditions. This provision only requires MCI to pay the proper compensation for traffic that is misrepresented. The RLECs have allowed a 10% grace factor for unidentified traffic to account for occasional technical problems or particular customer issues. This grace factor is generous when considering MCI has full control over the JIP and CPN on the traffic originated on its network.

Issue #16: Should parties provide the specified signaling parameters on all calls and who is responsible for the accuracy of the signaling parameters?

Q. What is the dispute with respect to Issue #16?

A. Issue #16 needs to be addressed in two parts. The first part of the issue is whether signaling parameters should be included on all calls. The RLECs believe that signaling parameters are required to support the proper operation and billing of calls on the network. The second part of the issue is who is responsible for the signaling parameters. The RLECs' position is that the parties are responsible for the accuracy of the signaling information they pass to the other party.

Q. Why is there a requirement for 90% of the CPN and JIP included in the disputed language Issue #14 while Issue #16 requires signaling information to be included on all calls?

A. In Issue #14, the 90% factor allows a 10% grace factor of traffic before access charges are assessed. This grace factor allows for intermittent technical problems and occasional customer issues. The concern with this Issue #16, on the other hand, relates both to what is required to actually process the call and to the billing portions of the signaling message. If the RLEC does not receive the required signaling information, the call cannot be processed. Therefore, the information is needed on 100% of the calls. The RLECs would also like to have all the billing and feature signaling on 100% of the calls. The carriers' commitment to provide this information allows the end user's caller ID, caller name, and other features to

work properly and allows for accurate billing between carriers. There is no penalty in this Issue #16 if the information is not included, but both parties should be including the signaling information on all calls.

Q. Does MCI have control over the signaling parameters for the traffic included in this agreement?

A. Yes. The only traffic that is governed by this agreement is IntraLATA traffic that is originated and terminated to each other's end users. As stated in Douglas Meredith's testimony, the exchange of traffic is between the originating and terminating carriers. An intermediate carrier may act as a transport agent for physical interconnection but the traffic exchange is not part of that physical interconnection. This agreement for traffic exchange is limited to traffic that originates or terminates to MCI end users. MCI has direct control over the signaling information provided from its end users. MCI apparently is not questioning the requirement to provide signaling such as TCAP messages that provide information for services like caller ID, but is concentrating its concern on JIP and CPN. MCI can translate its switch to provide JIP. MCI also is in control of the CPN information both on single line customer and PBX customers. The RLECs are very concerned with MCI's lack of commitment to provide information that allows customer features to operate and insures accurate billing between carriers.

Q. Why is MCI's agreement to pass along the information they receive from others not sufficient for the RLEC?

A. MCI's agreement to pass along the information it receives from others shifts the responsibility for providing signaling to a third party that is not part of this agreement. The RLECs do not have a relationship with the third party and have no authority to enforce standards or requirements. MCI should not be allowed to pass along information that is harmful to the network.. The RLECs take responsibility for their end users' signaling information and transmission of signals on the network. MCI must take the same responsibility for its customers.

In addition to network harm, MCI can shift the responsibility for fraud to a third party. If MCI only passes along information, it shifts any responsibility for the misrepresentation of traffic to a third party. Just like legal businesses launder illegal money to make it look legal, MCI could provide a front that makes illegal traffic look legitimate, while not taking any responsibility for its customers' actions.

Q. How should the Commission resolve Issue #16?

A. The Commission should rule that the RLEC-proposed language be accepted. The "Passed along as received" language should be rejected. Including such language would encourage MCI to push responsibility to third parties who have no obligations under this agreement and potentially not even under the

Telecommunications Act, state telecommunications law, or related state or federal regulations.

Issue # 20: Are the ordering charges just and reasonable?

Q. What is the dispute with regards to Issue #20?

A. MCI is disputing the RLEC-proposed service order charges and has stated that these charges are too high.

Q. What are the service order rates charged in other LECs' interconnection agreements?

A. The chart below shows the manual service order charges in some BellSouth, Verizon and Sprint South Carolina interconnection agreements.

	MANUAL SERVICE ORDER		ORDER CHANGE CHARGE		ORDER CANCELLATION
BELLSOUTH	$15.69		$26.21		$26.21
VERIZON	$51.20		$24.00		$24.00
SPRINT	$22.54		$11.04		$11.04

Q. What are the proposed rates of the RLECs?

A. The table below shows the rates that the RLECs initially proposed. The RLECs have also provided a counter-offer to MCI's offer of a $15 manual service order charge, five dollar change order charge and no cancellation order charge.

	MANUAL SERVICE ORDER		CHANGE ORDER		CANCELLATION ORDER	
	Initial	Counter Offer	Initial	Counter Offer	Initial	Counter Offer
Farmers	$28.00	$22.00	$32.00	$5.00	$32.00	$5.00
Hargray	$22.00	$22.00	$35.00	$5.00	$35.00	$5.00
Home	$22.00	$22.00	$35.00	$5.00	$35.00	$5.00
PBT	$23.00	$22.00	$35.00	$5.00	$35.00	$5.00

The RLECs have not received a response to this counter-offer from MCI.

Q. Are these proposed rates reasonable?

A. Yes. The RLEC service order charge is clearly in the middle of the three large LEC rates for manual service orders. Verizon's rate is more than 56% than higher the RLECs' counter-offer rate. It is reasonable that the RLEC rate would actually be higher than the large LEC rate because the large LECs have had ten years expeience in exchanging customers with CLECs. Over this time the large LECs have fine tuned their procedures and developed expertise in processing CLEC orders. The RLECs have none of this experience. In addition, the RLECs' relatively small size has prevented them from being able to economically justify implementing mechanized service order systems for their own service order activity. All services order will have to be manual. Based on the RLECs' lack of experience and lack of supporting mechanized systems, the rates offered by the RLECs are very reasonable

Q. Is MCI's calculation of a proposed ordering charge of $15 reasonable?

A. No. MCI proposes the average of the BellSouth cost for a new service order and a disconnect order as the manual order charge. (Darnell Testimony p.65, lines 4-6) A disconnect order is associated with the purchase of an unbundled network element or a trunk where the CLEC is paying monthly for a service. The charge applies when that service to the CLEC is disconnected. MCI is not purchasing any unbundled elements or resale under this agreement. There would never be any disconnect service order charges. The commission should only consider the manual service order charge, which is close to the RLEC proposed rates.

Q. What do you recommend that the Commission rule regarding Issue #20?

A. I recommend that the Commission adopt the RLEC rates. The RLEC-proposed rates are well within the range of other larger, more experienced LECs' manual rates and are fair and reasonable.

Q. Please summarize your testimony.

A. The RLECs urge the Commission to adopt the RLECs' proposed language on the three signaling issues #3, #14, and #17 because it is the industry standard to include JIP and CPN, it is technically feasible for MCI to implement these standards, and it promotes accurate billing of intercarrier compensation. In addition, the RLECs propose that MCI be responsible for the accuracy of the signaling information passed to the RLEC network. The parties should not be

allowed to pass responsibility for lack of signaling parameters or inaccurate parameters to third parties that are not part of this agreement.

Finally, the Commission should find that the RLEC-proposed service order rates are just and reasonable.

Q. Does this conclude your testimony?

A. Yes.